

REMARKS/ARGUMENTS

Claims 1-205 are now pending. Claims 1, 2, 28, 31, 53, 56, 60, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 181, 182, 183, 193 and 197 are independent. Claims 1, 2, 28, 31, 53, 56, 60, 74, 93, 102, 119, 12, 121, 123, 125, 130, 133, 140, 148, 154, 158, 161, 172, 173, 179, 180, 182, 183, 193, 197, and 198 are amended.

Claims are amended to delete the language “at least some portion of the improvements lease being or having been performed by processing data in a non-transitory memory of a computer”. The language “computing data in a non-transitory memory of a computer, the computation in furtherance of an improvements lease, the improvements lease being a lease of improvements” or similar language is added. The language is supported by the specification as originally filed at paragraph [0087] and after (publication paragraph nos.) which disclose a computer implementation of the lease structure of Fig. 1. Fig. 2C shows a computer system.

Claim 2 has been amended to recite data representing many items like the landlord, tenant, SPE, dollar amount and transaction date which are already recited in other claims such as claim 148. Support in the specification as originally filed is at paragraph [0114] (publication paragraph no.) and the data warehouse 500. Figs. 2A and 2B show numerous investors. Fig. 2C shows lenders. Additionally, claim 2 recites credit ratings which is supported by the specification as originally filed at paragraph [0114] (publication paragraph no.).

Claims 28 and 53 are amended to add the language “over the internet”. This language is supported by the specification as originally filed by paragraphs [0088] and [0089] (publication paragraph nos.) which disclose computer access networks and a website and the Figs. 3A-5E of computer screens which have an indication that they were created with use of Internet Explorer.

Claims 119, 130, 133, 183 and 197 are amended to change the language regarding a primary investor and a secondary investor to “investor(s)”. This language is supported by the specification as originally filed at least by Figs. 2A and 2B which show numerous investors.

Claims 140, 148, 154, 161 and 172 are amended to delete the term “loan purchaser” and to recite “an investor or lender”. This language is supported by the specification as originally filed at least by Figs. 2A and 2B which show numerous investors. Fig. 2C shows lenders. Fig. 4A shows a computer screen with numerous loans giving landlords, tenants, lease amount etc.

Paragraph [0121] states, "By simply double clicking on an individual loan, the user can retrieve additional background and performance data on a specific loan." One of ordinary skill in the art would understand that the additional background includes the information shown in Fig. 1 for the lease structure and identities of parties. Fig. 3C shows financing institutions and Polestar as lenders.

Claims 120, 121, 123, 125-129 and 198 are amended for minor issues.

The Office Action of May 26, 2011 objects to the drawings as informal and the Abstract as too long. The Specification is objected to under 35 U.S.C. §112, first paragraph, as failing to as not providing support for claims 1, 2, 28, 35, 57, 95, 114, 120, 122, 143, 170, 175, 198, 31, 102, 56, 60, 74, 93, 119, 126, 127, 128, 129, 130, 133, 140, 148, 154, 158, 161, 172, 179, 180, 181, 182, 183, 193, and 197. Claims 1-52 and 56-205 stand rejected under 35 U.S.C. §112, first paragraph, as failing to comply with the written description requirement. Claims 1-27, 31-52, and 56-181 stand rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 1-27, 31-52, and 56-180, and 183-205 stand rejected under 35 U.S.C. §101 as directed to non-statutory subject matter for being drawn to an abstract idea. Claims 28-30, 53-55, and 181-203 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Weatherly et al., U.S. Patent No. 6,049,784.

I. Formalities

A. Drawings

The Patent Office in the Office Action of May 26, 2011 once again objects to the drawings as informal. Applicant once again points out that Applicant filed formal drawings which were published in the publication of this application US2005/0010517 A1 which is readily available to the Examiner. Nevertheless, Exhibit 1 to this paper attaches the drawing section of the publication of this application, US2005/0010517 A1. The drawings were previously approved. The Action identifies no informality in these drawings. No further correction is possible until some request identifies a specific issue that requires correction.

Applicant's paper of August 2010,¹ at page 4, observed as follows:

In response to the objection to the drawings filed July 7, 2000, it is noted that the application was published with formal drawings, 2005/0010517, and it is unclear why this issue is raised at all.

The opening cover sheet of the Action of May 2010 states that only the paper of November 2010 was considered, implying that the paper of August 2010 was ignored.

Prosecution of this application has been delayed for years because the Office ignores the papers filed by Applicant. The fault lies with the Patent Office, not with Applicant. At the very least, the next Action should not be made final, because the delay arises out of carelessness by the Office.

Additionally, on August 31, 2011, Applicant filed a request for republication. That request included a copy of the specification, claims pending at that time, abstract, and formal drawings. Attached as Exhibit 2 is a copy of the Notice of Acceptance of Publication Request indicating full compliance with 37 CFR. The projected publication date is 12/15/11. Apparently substitute specifications and drawings and requests for republication do not appear in PAIR. Thus, all requirements for formal drawings have been met.

B. Abstract

The Office Action of May 26, 2011, now, after over 11 years of prosecution from the July 7, 2000 filing date, objects to the Abstract as too long because "It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited." Applicant notes that the current abstract is only 240 words and was published on January 13, 2005 as Publication US2005/0010517 A1 without any problem and was also accepted for republication by the Office of Data Management of the Patent Office as evidenced by the attached Notice of Acceptance of Publication Request. The reasoning in the Office Action about "the computer tape used by the printer" seems to be pathetically technologically out of date. The abstract included with the Request for Republication was filed

¹ The Reply of August 2010 was incorporated by reference into the paper of November 2010. (Supplementary Amendment of November 2010, page 47, lines 21-22).

as a pdf file through the PTO's Electronic Business Center. Apparently substitute specifications and drawings and requests for republication do not appear in PAIR.

In July 2000, when this application was filed, MPEP § 608.01(b) read as follows:

The abstract should be in narrative form and generally limited to a single paragraph within the range of 50 to 250 words. The abstract should not exceed 25 lines of text.

The Abstract meets the guidelines that were in effect at the time. The severely belated objection should be withdrawn. Nonetheless, to accommodate Examiner Subramanian's personal, but inapplicable, preferences, an amended abstract is submitted herewith.

C. Specification

The specification is objected to under 35 U.S.C. §112, first paragraph, as failing to support the subject matter set forth in the claims.

1. "true lease"

The claim language found unsupported is essentially the limitation "a true lease under tax accounting rules" which was added by the amendment of November 3, 2010. That paper said on page 47:

Claims have been amended to recite "an operating lease under financial accounting rules or a true lease under tax accounting rules". This language is supported at, for example, paragraphs [0018], [0021], [0029], [0072], and [0082] (paragraph number references are to the Substitute Specification filed September 29, 2005).

The language of paragraph [0072] of the specification referenced reads as follows (original specification of July 2000, page 15 line 30 to page 16, line 3):

.... In contrast, lease 100 may be structured so that the lease of tenant improvements from special purpose entity 110 to tenant 102 meets Internal Revenue Code standards for a tax lease; this will render the rent 124 paid from tenant 102 to special purpose entity 110 deductible as an ordinary business expense. This may convert the deduction schedule from thirty-nine years to depreciate the tenant improvements (when tenant 102 is the tax owner of the tenant improvements) into a shorter schedule based on the term 122 of lease 100.

The Office Action does not reflect that any consideration was given to this language which clearly states a "tax lease," i.e. a true lease under tax accounting rules as mentioned.

The Office Action provides no analysis of why the Patent Office takes the position that the cited paragraphs fail to provide support for the claim language. Such failure does not advance prosecution.

With respect to a “written description” issue, MPEP § 2163(III)(A) and § 2163.04 required that the Action “Establish a *prima facie* case by providing reasons why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed ” The Action did not do so. Until the rejection in the Action is clear, Applicant is left without a fair opportunity to respond.

Because the Office Action does not make the showings required for the “written description” requirement, disregards the MPEP, disregards Applicant’s previous paper, and disregards the specification, it is not clear what the issue is, and therefore it is impossible to respond more precisely. Thus, the objection is improper. The language is supported as set forth above. This argument applies to claims 1, 2, 28, 35, 57, 95, 120, 122, 143, 170, 175, 198, 60, 133, 148, 179, 180, 181, 183, and 193.

2. “at least some portion of the lease being or having been performed by processing data in a non-transitory memory of a computer” and “non-transitory memory”

Additional claim language found unsupported is essentially the limitation “at least some portion of the lease being or having been performed by processing data in a non-transitory memory of a computer.” This language was previously amended from “at least some portion of the lease being or having been performed with assistance of a computer processing data in a tangible memory of a computer.” With the present amendment the language has been deleted and instead the claims recite “computing data in a non-transitory memory of a computer, the computation in furtherance of an improvements lease, the improvements lease being a lease of improvements” (for Claim 2) or similar language. It is believed the amended language overcomes any indefiniteness. The support for the language is the same as for the previous language.

The issue of support in the specification for the previous language was fully addressed previously in the Amendment and Reply to Office Action or in the Alternative Appeal Brief filed November 5, 2009 at pages 20-21:

All issues currently on appeal focus on the various
“computer” provisions of the claims. Claim 119 includes
language that is common to claims 1, 2, 31, 56, 60, 74, 93, 102,
119, 130, 133, 140, 148, 154, 158, 161, 172, 179, 180, and 181.²

119. A method, comprising the steps of:

...

at least some portion at least some portion of the lease being or
having been performed with assistance of computer processing of data in
a tangible memory, the data representing one or more of a group
consisting of the landlord, the tenant, or a loan purchaser

The computer processing is discussed in the Substitute
Specification filed on [September 29, 2005 and received] October
3, 2005, at pages 22-30. The specification explicitly discusses a
variety of computers and servers. All computers and servers in
modern commercial use inherently have “tangible memories.”
Pages 22-30 of the specification discuss processing of data relating
to landlords, tenants, loan purchasers, and the other kinds of
objects discussed in the respective claims. (Bracketed information
added).

Though the language “with assistance of a computer” and “at least some portion of the
improvements lease being or having been performed by processing data in a non-transitory
memory of a computer” has been eliminated and the term “tangible” has been replaced by “non-
transitory,” the same arguments apply. All computers and servers in modern commercial use
inherently have “non-transitory memories.” The Office Action provides no analysis of why the
Patent Office takes the position that the cited paragraphs fail to provide support for the claim
language. Such failure does not advance prosecution. Thus, the objection is improper. The
language is supported. The language is supported as set forth above. This argument applies to

² Claim 119 is used as an example here, because it includes language sufficient to represent all
issues likely to arise in consideration of all claims. (Footnote numbering changed.)

claims 1, 2, 31, 102, 56, 60, 74, 93, 119, 126, 127, 128, 129, 130, 133, 140, 148, 154, 158, 161, 172, 179, 180, 181, 182, 183, 193 and 197 (taken in the order of the Office Action).

The law regarding written support simply requires that the specification conveys to one of ordinary skill that the inventor had possession of the subject matter. It does not require the specification to recite the claim language verbatim.

3. “a primary investor, secondary investor, or lender, who contributed capital to the asset or to an entity owning the asset”

The Action questions “support” under the “written description” requirement for the language “a primary investor, secondary investor, or lender, who contributed capital to the asset or to an entity owning the asset.” The language regarding a primary investor and a secondary investor has been changed to “investor(s)”. This language is supported by the specification as originally filed at least by Figs. 2A and 2B which show numerous investors.

This language “lender, who contributed capital to the asset or to an entity owning the asset” is supported as follows:

Fig. 2C shows lenders. The specification at paragraph [0087] and after (publication paragraph nos.) discloses a computer implementation of the lease structure of Fig. 1. Fig. 2C shows Data Warehouse 500 and Loan Analysis Module 510 which are discussed at paragraphs [0111] and after. Fig. 4A shows a computer screen with numerous loans giving landlords, tenants, lease amount etc. Paragraph [0121] states, “By simply double clicking on an individual loan, the user can retrieve additional background and performance data on a specific loan.” One of ordinary skill in the art would understand that the additional background includes the information shown in Fig. 1 for the lease structure and identities of parties. Fig. 1A at the bottom under Capitalization reference is made to the percentage of participation.

- “lender” – Fig. 3C shows financing institutions and Polestar.
- “who contributed capital to the asset” – inherent in disclosure at bottom of Fig. 1A where lessor is identified at least.
- “who contributed capital ... to an entity owning the asset” – inherent in capitalization participation of lessor.

This applies to claims 119, 130, 133, 183, and 197. The language is supported.

4. “payment for the tenant improvements lease being “segregable from” payments for the space lease”

Applicant previously noted support for this language as follows (Applicant’s paper of November 3, 2010, page 47:

The “segregable payments” of claims 183-203 are supported at, for example, Figs. 2A and 2B.

Again, the Office Action provides no analysis of why the Patent Office takes the position that the cited paragraphs fail to provide support for the claim language. Such failure does not advance prosecution.

With respect to a “written description” issue, MPEP § 2163(III)(A) and § 2163.04 required that the Action “Establish a *prima facie* case by providing reasons why a person skilled in the art at the time the application was filed would not have recognized that the inventor was in possession of the invention as claimed ” The Action did not do so. Until the rejection in the Action is clear, Applicant is left without a fair opportunity to respond.

Because the Office Action does not make the showings required for the “written description” requirement, disregards the MPEP, disregards Applicant’s previous paper, and disregards the specification, it is not clear what the issue is, and therefore it is impossible to respond more precisely. Thus, the objection is improper. The language is supported as set forth above. This argument applies to claims 183-203.

5. “leasing the shorter-lived asset” and “longer-lived asset”

At the very least the Summary of the Invention at paragraph [0003] discloses the longer-lived asset and shorter-lived asset terminology.

This argument applies to claims 60 and 193. The language is supported.

6. “displaying data on a non-transitory display”

Figs. 3a-3e, 4a-4c and 5a-5e disclose computer screens displaying data. Accompanying text further discloses displaying data.

This argument applies to claims 126, 127 and 129. The language is supported.

7. “a solicitation to enter the improvements lease”

Paragraphs [0088] and [0090] to [0100] disclose origination.

This argument applies to claim 126. The language is supported.

8. “a non-transitory network”

Paragraphs [0088] and [0089] disclose computer access networks and a website.

This argument applies to claims 126, 127, 128, and 129. The language is supported.

9. “managing or servicing the improvements lease” or “soliciting, originating, managing, or analyzing the improvements lease”

Paragraph [0088] discloses originating, managing, and analyzing tenant improvement leases. Paragraphs [0090] to [0100] specifically disclose origination.

This argument applies to claims 127 and 180. The language is supported.

10. data representing “a dollar amount of a transaction” and “a loan purchaser”

The specification at paragraph [0087] and after (publication paragraph nos.) discloses a computer implementation of the lease structure of Fig. 1. Fig. 2C shows a computer system. Fig. 2C shows Data Warehouse 500 and Loan Analysis Module 510 which are discussed at paragraphs [0111] and after. Paragraph [0114] states, “Data received from Loan Exchange 300 may include ... transaction dollar amounts ... loan purchaser names, among other data elements.” The Loan Exchange is shown in Fig. 2C and discussed in paragraphs [0101] to [0110] with mention of “buyers” of loans at paragraph [0102] at least. Though supported, the terminology “loan purchaser” has been changed for reasons of preference. The claims now recite “an investor or lender”. This language is supported by the specification as originally filed at least by Figs. 2A and 2B which show numerous investors. Fig. 2C shows lenders.

This argument applies to claims 130, 140, 148, 154, 158, 161 and 172. The language is supported.

11. “hardware and software” and “computer programs”

The specification at paragraph [0087] and after (publication paragraph nos.) discloses a computer implementation of the lease structure of Fig. 1. Fig. 2C shows a computer system.

This argument applies to claims 181 and, 182. The language is supported.

12. Other language in Whole sale identification of claim language

It is believed that any other language identified in the Office Action by whole sale underlining of whole claims or large paragraphs from claims is clearly supported by the original specification with reference to the computer implementation and lease structure cited above. Additional language to a space lease and improvements lease distinct from the space lease and structured to support an accounting conclusion that they are to be considered as a single lease and classified as an operating lease is supported at least by paragraph [0001] for easy confirmation. Additional language to a special purpose entity; rent payments tax deductible to the tenant; a debt that is non-recourse against the SPE, landlord and improvements are supported numerous times in the specification and original claims and by at least the first paragraphs of the Summary of the Invention for quick confirmation. Language to reflecting paying or receiving payments on a lease [0119] (“receive current loan performance data”), and financing obtained at tenant’s cost of funds [0072] is at least supported at the paragraphs of the publication identified here.

This argument applies to claims 181, 182, 183, 193 and 197. The language is supported.

Thus, it is respectfully submitted that all claim language is properly supported by the specification as originally filed.

D. Rejection under 35 U.S.C. §112, First Paragraph

Claims 1-52 and 56-205 were rejected under 35 U.S.C. §112, first paragraph, as failing to comply with the written description requirement. Some of the claims have been amended. As set forth above with respect to the objections to the specification, the claims are supported by the specification. The arguments set forth above with respect to the objections to the specification, apply also to the rejections of the claims. The specification conveys to one of ordinary skill that

the inventor had possession of the subject matter claimed. Thus, the claims are supported and the rejections should be withdrawn. The same applies to the dependent claims.

E. Rejection under 35 U.S.C. §112, Second Paragraph

Claims 1-27, 31-52, and 56-181 were rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

1. “at least some portion of the lease being or having been performed by processing data in a non-transitory memory of a computer”

Claim language found indefinite is essentially the limitation “at least some portion of the lease being or having been performed by processing data in a non-transitory memory of a computer” or similar language. This language was previously amended from “at least some portion of the lease being or having been performed with assistance of a computer processing data in a tangible memory of a computer.” With the present amendment the language has been deleted and instead the claims recite “computing data in a non-transitory memory of a computer, the computation in furtherance of an improvements lease, the improvements lease being a lease of improvements” (for Claim 2) or similar language. It is believed the amended language overcomes any indefiniteness. The indefiniteness rejections are not based upon the term “non-transitory memory” instead of the term “tangible.” Thus, it is submitted the language “non-transitory memory” is agreed to be definite.

The following comments on the law regarding the issue of indefiniteness and the amended claim language are provided.

MPEP § 2173.02 states the general test under § 112 ¶ 2 (underline in original):³

2173.02 Clarity and Precision

The examiner's focus during examination of claims for compliance with the requirement for definiteness of 35 U.S.C. 112, second paragraph, is whether the claim meets the threshold requirements of clarity and precision, not whether more suitable language or modes of expression are available. ... he or she should allow claims which define the patentable subject matter with a reasonable degree of particularity and distinctness. Some latitude in the manner of expression and the aptness of terms should be permitted even though the claim language is not as precise as the examiner might desire. Examiners ... should not reject claims or insist on their own preferences if other modes of expression selected by applicants satisfy the statutory requirement.

The essential inquiry pertaining to this requirement is whether the claims set out and circumscribe a particular subject matter with a reasonable degree of clarity and particularity.

2173.04 Breadth Is Not Indefiniteness

Breadth of a claim is not to be equated with indefiniteness. *In re Miller*, 441 F.2d 689, 169 USPQ 597 (CCPA 1971). If the scope of the subject matter embraced by the claims is clear, and if applicants have not otherwise indicated that they intend the invention to be of a scope different from that defined in the claims, then the claims comply with 35 U.S.C. § 112, second paragraph.

a. "Not clear as to what are the metes and bounds"

The Action (top of page 12) asserts that the claims before amendment are indefinite because "Firstly, it is not clear what are the metes and bounds" of the language. "Secondly it is

³ Applicant notes *Ex parte Miyazaki*, 89 USPQ2d 1207 (BPAI 2007) which suggested that the Federal Circuit's "reasonableness" test that applies during examination (which is somewhat stricter than the "insolubly ambiguous" test that applies during litigation) be replaced with a new test improvised by the Board, "amenable to two or more plausible constructions." The Board acted illegally, and *Miyazaki* is not the law. First, the interpretations of law set forth in the MPEP are binding on the Board; the Board had no authority to overrule the agency's official interpretations. *Yale-New Haven Hospital v. Leavitt*, 470 F.3d 71, 80 (2nd Cir. 2006) ("An interpretative rule binds an agency's employees, including its ALJs"); Richard J. Pierce, *ADMINISTRATIVE LAW*, Aspen Law & Business (4th Ed. 2002) § 6.4. If the Board wants to change the agency's mind, then the Board must act through the proper procedural channels, and get its view adopted by the agency as a whole. Rogue panels of the Board may not act independent of the Director. Second, the PTO has no substantive rule-making authority, and the Board cannot act where the agency could not act by rule making. Third, the Federal Circuit has said that the standard that applies in the PTO is "reasonable," *Credle v. Bond*, 25 F.3d 1566, 1576, 30 USPQ2d 1911, 1919 (Fed. Cir. 1994), and that under the law, the Board may "demand[] no more." The Board does not have authority to overrule the Federal Circuit. Subsequent to *Miyazaki*, the Federal Circuit reiterated that "Some latitude in the manner of expression and the aptness of terms should be permitted even though the claim language is not as precise as the examiner might desire," *In re Skvorecz*, 580 F.3d 1262, ___, 92 USPQ2d 1020, 1025 (Fed. Cir. 2009), effectively overruling *Miyazaki*.

not clear as to what specific aspect of the lease is performed by processing data in a non-transitory memory of a computer.”

The claims, as amended, are definite and the metes and bounds of the claims are clear. Neither the term “computer” nor the term “non-transitory memory” are indefinite—both have perfectly good definitions in any dictionary, and there is no reason to believe that the dictionary definitions are inadequate.

The claim language varies slightly. The claims definitely specify a computer, a non-transitory memory of a computer and computing. This precisely and definitely distinguishes situations where the only use of a computer is in management of the property (as opposed to the lease), of a lease of a different asset, or of a sale of the asset that is subject of the claim. The claim language also definitely distinguishes instances where the method is performed entirely mentally or by pencil-and-paper. The amended claim language is broad, not indefinite. Breath is not indefiniteness.⁴

b. “what specific aspect of the lease is performed by processing data in a non-transitory memory of a computer”

The Office Action questions what specific aspect of the lease is “performed by processing data in a non-transitory memory of a computer.” The amended language eliminates any ambiguity. Claim 180, as amended, now recites “said computing data comprising soliciting, originating, managing, or analyzing the improvements lease”. Alternative language is not necessarily indefinite.⁵

Thus, the language “soliciting, originating, managing, or analyzing” is understood and is acceptable. Additionally, the language “hardware and/or software” of claim 181 is understood and acceptable.

All claims, including claims 1-27, 31-52, 56-59 and 74-181 meet the requirements of §112, 2nd paragraph and are definite.

⁴ MPEP § 2173.04; *In re Miller*, 441 F.2d 689, 169 USPQ. 597 (CCPA 1971).

⁵ MPEP § 2173.05(h)(II); *In re Gaubert*, 524 F.2d 1222, 187 USPQ 664 (CCPA 1975).

c. Claim 181: “what kind of assistance”

The Action queries “in claim 181 it is not clear what kind of assistance is provided.” The claim is broad, not indefinite. The precise kind of assistance is irrelevant: if “assistance” exists, the assistance falls within the claim, and if there is no assistance from a computer, then the claim is not satisfied.

The Action queries “it is not clear what the term ‘assist a tenant’ entails.” The Action misquotes the claim by truncation—the claim recites “to assist a tenant in entering an improvements lease.” When the full claim phrase is considered, the claim language is reasonably definite, though broad. Claim 181 meets the requirements of Section 112, 2nd paragraph and is definite.

2. “true lease”

With respect to claims 28, 35, 57, 95, 114, 120, 122, 143, 170, 175, and 179-205, the Office Action rejects the language “true lease” as indefinite and states, “It is not clear what the Applicant means by the term ‘true lease.’”

The term “true lease” is a term known to those of ordinary skill in the art. A true lease under tax accounting rules is another term for a tax lease. The word “tax” in the term “tax lease” means tax accounting rules apply. The term “true lease under tax accounting rules” is definite and the rejection should be withdrawn.

All claims, including claims 28, 35, 57, 95, 114, 120, 122, 143, 170, 175, and 179-205 meet the requirements of §112, 2nd paragraph and are definite.

F. General Comments

Each time Applicant has added claim language, sections of the specification have been cited for support. The added language was not objected to nor rejected at the time. Now in a belated manner, the Patent Office has treated this application as though it is being examined for the first time, though the application has been pending for over 11 years. The Office now newly objects to claim language as unsupported in the specification without addressing the support Applicant previously identified or explaining why the portions of the specification identified by Applicant do not support the language. In many cases, the Office cites almost every single word in the claim as unsupported in a whole sale manner. This does not even give the Applicant an

idea of what precise language is in question. Additionally, a baseless objection to the drawings as informal while the application was published years ago with formal drawings is repeated. Further, the abstract is suddenly regarded as too long for absurd reasoning based upon technically out of date computer tapes. These omissions and objections do not advance prosecution. Rather, the Office Action seems to be just giving the Applicant a “run around” because the Patent Office regards this application as a business method, and the Patent Office does not want to issue patents on business methods despite the ruling in the *Bilski* case, where the Supreme Court of the United States **refused to deny** business method inventions patent protection. This amounts to abuse of administrative process.

Incredibly, the Office is even still rejecting the apparatus claims by just giving the Applicant a “run around” with baseless trumped up rejections. The objections and rejections for formalities are improper and should be withdrawn. In the very least, the apparatus claims should be allowed and passed to issue.

G. Request for Predictable Examination Procedure

In January 2007, the previous examiner stated in a telephone interview that the policy of Technology Center 3600 or Art Unit 3691 was to deliberately obstruct prosecution of applications, and to not allow even meritorious applications.⁶ Applicant has provided block quotes of instructions from the MPEP to examiners to ensure efficient and predictable procedure. However, the examiner has refused to follow MPEP instructions, stating his own personal opinion regarding what is “proper examination procedure.”⁷ Unsupported by the MPEP.

Applicant requests examination of the application pursuant to the PTO’s published guidance. Applicant respectfully urges the examiner to stop making up new rules, and to follow the written procedures in the MPEP. Applicant has repeatedly drawn attention to instructions from the Director of the PTO. The examiner has no authority to overrule the Director. The

⁶ Interview Summary of Feb 26, 2007, ¶ 41.

⁷ Compare MPEP § 704.01 (examiner should do no further search when—on the facts as the Examiner concedes them to be—an application is in the condition of this one) *with* Advisory Action of May 5, 2009, §§ 11, line 10 (Examiner fails to follow MPEP § 704.01 by asserting his personal opinion of “proper examination procedure”).

Patent Office refuses to answer all material traversed, and gives no answer or explanation. Instead, the examiner elevates his personal opinion over the MPEP, insisting that his idea of "proper examination procedure" prevails even when his opinion is directly opposite to the MPEP. That is not proper examination.

This attorney cannot allow the client's rights to be sacrificed to mere Examiner opinion. Thus, when previous examiners or the current examiner expressed views of facts or law that are in error, Applicant had to leave certain claims unaltered for various legal reasons, but nonetheless added new claims to accommodate the examiners' views. When the Patent Office has not followed the predictable patent examination procedure as set forth in the MPEP, this attorney has been forced to pursue several simultaneous procedural avenues simultaneously, one directed to pursuing rights guaranteed to applicants by law, and a parallel track to accommodate the examiner's personal-but-unauthorized views. Thus, because of discrepancies between the examiner and the MPEP, the status of this application has become extremely complex.

Applicant has put forward a best effort to advance the application forward within the bounds of the law. This has been met by resistance at every turn by the Patent Office. The Patent Office refuses to engage with claim language, refuses to answer all material traversed, and refuses to follow clear and mandatory MPEP directives.

This application has now been pending for *eleven years*. It is long past time to get a first Action that genuinely considers the merits under the law, instead of under unwritten personal preferences.

II. Rejection Under 35 U.S.C. §101

Claims 1-27, 31-52, and 56-180, and 183-205 were rejected under 35 U.S.C. §101 as directed to non-statutory subject matter for being drawn to an abstract idea.

With respect to the rejection of claims 1-27, 31-52, 56-180 and 183-205 under 35 U.S.C. 101 as directed to non-statutory subject matter as drawn to an abstract idea for preemption, the Office Action cites to a non-precedential opinion. It has been noted several times that it is not lawful and is improper to cite such an opinion from the BPAI *Bilski* decision as if it were law. (See Petition of July 6, 2009 at page 33-34 and Reply filed February 19, 2010). The PTO specifically withheld any authority from the Examiner to cite *Ex parte Bilsk*, Appeal No.2002-

2257. Yet the Office Action again repeats this improper act. (Office Action of May 26, 2011 at page 13 and Office Action of February 19, 2010 at page 6.) Improper acts in Office Actions do not advance prosecution.

- The Supreme Court of the United States decided the *Bilski* case on June 28, 2010 and that is now the best authority on patent eligibility under Section 101 rather than the lower court decisions.

The Action seems to take the position that business method claims are not patentable. This position is not consistent with the law. The Supreme Court in the case *Bilski v. Kappos*, No. 08-964 (U.S. June 28, 2010) refused to categorically deny patent protection to business methods. Thus, business method claims are patentable subject matter. The reasoning applied in the Action is not the law.

The claims each recite methods, and specify that some part of the method requires processing or computing by a computer. A computer is indisputably a “machine.” Processing or computing in a machine is not “abstract.” The claims meet the “machine or transformation” test, and are not otherwise abstract. Therefore, they are § 101 subject matter. Further, the Supreme Court in the case *Bilski*, ruled the “machine or transformation” test is not the sole test for patent eligibility under Section 101.

Additionally, the rejections seem to incorporate a strategy of striking out any language to a general purpose computer which is an apparatus and then, judging the claims as directed to a method. “The computer is merely an object on which the method operates.” Office Action dated May 26, 2011, page 13. There is no support for striking out claim language for analysis under Section 101. “The computer is generically recited such that it covers any computer capable of performing the claimed step(s). There is nothing in the specification to suggest that the computer is a particular machine.” Office Action dated May 26, 2011, page 13. There is no legal support for denying patent protection to an invention where a generic computer is programmed, whether it is the process or the apparatus that is claimed. The wrong legal standard is relied upon (a Board opinion, where the Supreme Court has rendered an opinion). There is no legal citation for the refusal to permit patent protection to a programmed general purpose computer.

The rejection under 35 U.S.C. §101 incorporates an indefiniteness analysis, unsupported by law as a part of Section 101 analysis. (The language found indefinite has been amended

which should eliminate these concerns.) The rejection inexplicably states: "In this case, the method can be performed by a human and also by a computer," (May 26, 2011 Action, page 14), despite the fact that the claims make it clear that a computer is used. This is a complete refusal to acknowledge claim language.

This rejection is a mishmash of legal standards and is improper as a matter of law. The rejection confuses the issues of whether a claim is definite with whether a claimed process is patent-eligible under § 101. It disregards claim language and refuses patent protection for general purpose computers programmed to execute novel and unobvious steps. The rejection fails to set forth any proper statement of law and should be withdrawn.

The rejection under Section 101 is improper. All claims, as amended, are in compliance with Section 101.

III. Rejection Under 35 U.S.C. §103

Claims 28-30, 53-55, and 181-203 were rejected under 35 U.S.C. §103(a) as being unpatentable over Weatherly et al., U.S. Patent No. 6,049,784.

Weatherly fails to meet Applicant's claims. In the Office Action, the Examiner acknowledges that Weatherly fails to meet the bulk of features claimed by Applicant. Most notably, the Office Action states at least at page 17, lines 18-19: "Weatherly does not explicitly teach the features where the lease is an improvements lease". That pretty much sums it up: Weatherly does not disclose a tenant improvements lease and has little to do with the claimed invention. The prior art of record does not disclose the claimed invention.

With respect to the rejection of Claims 28-30, 53-55 and 181-203 under 35 U.S.C. 103(a) as unpatentable over Weatherly et al., the rejections acknowledge that the Weatherly patent does not disclose numerous features recited in the claims. The Office Action then states, "However these features are interpreted as non-functional descriptive material as they do not materially affect the steps of soliciting proposals, soliciting offers of financing and notifying the respective parties when an offer matches a proposal." May 26, 2011 Action at page 15. Thus, the Examiner gives no patentable weight to much of the recited claim language.

With respect to claims 29 and 54, the rejections acknowledge that the Weatherly patent does not disclose an additional feature recited in the claims. The Office Action then states,

“However Official notice is taken that soliciting offers of financing using an auction protocol is old and well known in the art. The motivation to combine this feature is that it helps in facilitating numerous offers from several participants interested in making the offers.” May 26, 2011 Action at page 17.

With respect to claims 30 and 55, the rejections acknowledge that the Weatherly patent does not disclose an additional feature recited in the claims. The Office Action then states, “However this feature is interpreted as as [sic] non-functional descriptive material as they [sic] do not materially affect the steps of storing information and analyzing the information.” Again the Examiner gives no patentable weight to recited claim language. Similar statements are made with respect to all the rejected claims.

In a nutshell, there is no prior art that actually discloses what the Applicant claims, and so, in order to reject the claims, the Examiner has disregarded claim language. First, the Examiner disregards claim language as “non-functional descriptive material” with no basis in law. Then the Examiner tries to eliminate the need for identifying features in the prior art by taking “Official Notice” of features stated by the Examiner to be prior art.

With respect to the rejections that disregard claim language as “non-functional descriptive material”, it is unclear why the rejections are based on Section 103 of the Patent Act which addresses the issue of obviousness. No where do the rejections state the word “obvious” or allege that the claimed invention is obvious. No where do the rejections combine teachings or identify a motivation to combine teachings. The rejections are based on one reference and one reference alone. The rejections do not combine teachings within a single reference. Thus, a rejection under Section 103 is improper.

Section 103 is not to be used as an excuse or fudge factor for rejecting an invention that is clearly not shown by a single reference, and hence a rejection under Section 102 is not appropriate. Section 103 is not a catch-all for rejecting claims when a rejection under Section 102 can not be established. The rejection acknowledges that the Weatherly patent does not disclose many features recited in the claims. Thus, the Examiner seems to be aware that he can not assert that the Weatherly patent anticipates the claims. A rejection under Section 102 is improper. It seems that the Examiner just could not bring himself to reject claims under Section

102 where the statement of the rejection gives a laundry list of claimed features not met by the reference. Apparently, he felt a rejection under Section 102 did not pass the “blush” test.

The rejection seems to be applied under Section 103 in order to obfuscate the facts that (1) the claim language is indisputably not met by a single reference, (2) the claim language is indisputably not anticipated by a single reference, (3) a rejection under Section 102 can not be established or asserted, and (4) the analysis of rejecting claims in view of prior art by striking out claim language is improper analysis. The case law cited in the Office Action, *In re Ngai*, *In re Gulack* and *In re Lowry*, does not support such faulty analysis as explained below, and even if it did, that would be very bad law and a request for a change in law would be in order. As set forth above, a rejection under Section 103 is improper also.

The Office Actions of May 26, 2011 and February 19, 2010 strike out certain claim language as “non-functional descriptive material.” The MPEP gives no authorization to do what has been done in these Actions, and the Federal Circuit has forbidden it repeatedly.

In contrast, in the Office Action of October 3, 2008, at page 4, Examiner Subramanian characterized almost identical language in other claims as “**functional** descriptive material.” Additionally, the previous Action of February 19, 2010, at page 5, asserted that the claims recite “**functional** descriptive material.”⁸ Previously, the Examiner somehow drew a conclusion that “functional descriptive material” contributes to non-patentability, identifying no recognizable legal principle. Now with respect to 35 U.S.C. §103, the Examiner seems to be maintaining that the same or similar language is now “nonfunctional.” The contradiction is never explained. Is the language functional or non-functional? This confusion on the Examiner’s part as to whether recited claim language is functional or non-function undermines the credibility of any rejection based upon the supposed distinction. Perhaps the Examiner has a legitimate explanation for the 180° turnabout and his view of the law. Please carefully explain both in any further paper that raises any rejection so that Applicant has fair notice of which of the two is really meant, and a fair opportunity to move the case forward.

⁸ Applicant notes that there is no law whatsoever that turns on “descriptive material.” The only legally-relevant concept is “printed matter,” *In re Lowry*, 32 F.3d 1579, 1582–83, 32 USPQ2d 1031, 1034 (Fed. Cir. 1994), confined to “arrangements of *printed lines or characters*, useful and intelligible *only* to the human mind,” and that is not alleged here. Not only has the Examiner invented new law, even that invented law is misapplied.

With respect to claims 29 and 54, the Examiner essentially makes up the existence of prior art by taking "Official Notice" of what he says is old and well known with no evidence. If it is so old and well known, why can the Examiner not easily find and provide evidence? The Patent Office has systematically failed to provide support for where official notice has been taken. Applicant concludes that the Patent Office is either unable or unwilling to provide adequate support for taking official notice.

The misuse of official notice is exacerbated. The Patent Office makes an unsupported taking of official notice with respect to soliciting offers of financing using an auction protocol. That taking is then exacerbated by apparently basing a rejection for obviousness on the matter that was officially noticed using improper hindsight to find a motive to combine. The Patent Office can not fabricate prior art out of thin air using judicial notice and then base a rejection for obviousness on that fabrication.

Taking "Official Notice" of the state of the art in a case that has been pending for 10 years is unfair and subject to even more uncertainty than in a recently filed case. The pertinent question is "Was it old and well known on July 7, 2000 when this case was filed?" The Examiner has provided not even a scintilla of evidence that he has an excellent memory regarding the state of the art over 11 years ago or that he is an expert on the **history** of the development of the art. What seems old and well known now, may not have been old and well known 11 years ago. It is inappropriate to take "Official Notice" in most cases, but especially improper in a case that has been pending for over 11 years. The rejection of claims 29 and 54 is improper and should be withdrawn for this additional reason.

All claims distinguish from the prior art of record and are in condition for allowance.

The prior art rejections of Applicant's apparatus claims seem to be an unfair back door attempt to deprive this Applicant of any patent protection at all for an invention that the Patent Office regards as a "business method" invention. Thus, it seems that when the Patent Office regards an invention as a "business method", the Applicant is unfairly denied patent protection even for the computer apparatus (which is not a method).

The rejection is a confused jumble of legal concepts and therefore, there can be no meaningful reply. The rejection should be withdrawn.

The rejections of claims 28-30, 53-55 and 181-203 under 35 U.S.C. 103(a) as unpatentable over Weatherly et al. (U.S. Patent No. 6,049,784) are improper and should be withdrawn. It is respectfully submitted that the claims are not met by Weatherly et al., whether taken alone or in combination with the prior art of record or other unspecified teachings.

IV. Summary of Considerations for Examination

- Breadth is not indefiniteness. MPEP § 2174
- Alternative language is not indefinite *per se*. MPEP § 2173.05(h)(II); *In re Gaubert*, 524 F.2d 1222, 187 USPQ 664 (CCPA 1975).
- There is no such thing as a “descriptive matter” exclusion applicable to § 102/§ 103. There is no mention of such a thing in MPEP Chapter 2100.¹² Only “printed matter” constituting “arrangements of printed lines or characters, useful and intelligible only to the human mind” is subject to question. *In re Lowry*, 32 F.3d 1579, 1582-83, 32 USPQ2d 1031, 1034 (Fed. Cir. 1994) explains as follows (citations omitted):

The Patent and Trademark Office (PTO) must consider all claim limitations when determining patentability of an invention over the prior art. The PTO may not disregard claim limitations comprised of printed matter. ...

As an initial matter, this court notes that *Gulack* cautioned against a liberal use of “printed matter rejections” under section 103:

A “printed matter rejection” under § 103 stands on questionable legal and logical footing. Standing alone, the description of an element of the invention as printed matter tells nothing about the differences between the invention and the prior art or about whether that invention was suggested by the prior art.... [The Court of Customs and Patent Appeals], notably weary of reiterating this point, clearly stated that printed matter may well constitute structural limitations upon which patentability can be predicated.

Despite this cautioning, the Board erroneously extended a printed matter rejection under sections 102 and 103 to a new field in this case, which involves information stored in a memory. This case, moreover, is distinguishable from the printed matter cases. The printed matter cases “dealt with ... arrangements of printed lines or characters, useful and intelligible only to the human mind.” The printed matter cases have no factual relevance

¹² MPEP § 2106.01 discusses “descriptive material” but only in the context of § 101.

where “the invention as defined by the claims *requires* that the information be processed not by the mind but by a machine, the computer.” Lowry's data structures, which according to Lowry greatly facilitate data management by data processing systems, are processed by a machine. Indeed, they are not accessible other than through sophisticated software systems. The printed matter cases have no factual relevance here.

Nor are the data structures analogous to printed matter. Lowry's [data structures] ... contain both information used by application programs and information regarding their physical interrelationships within a memory. Lowry's claims dictate how application programs manage information. Thus, Lowry's claims define functional characteristics of the memory.

If the Patent Office maintains any further position relating to “descriptive material” that is not “printed matter,” or otherwise disagrees with the Federal Circuit's holding that no such doctrine exists, and disagrees with the MPEP's withholding of authorization to deny weight to “descriptive material” under § 102/§ 103, and asserts that if such a doctrine exists that it is applicable to information in a computer, the Patent Office must come forward with case law that overrules or distinguishes *Lowry*.

- Applicant draws the Examiner's attention to a memo from Director Kappos, *Subject Matter Eligibility of Computer Readable Media*, 1351 O.G. 212 (Jan 26, 2010) (copy attached as Exhibit 3), which instructs examiners on two issues:

a claim amended to add the limitation “non-transitory” covers “only statutory embodiments [and] avoid[s] rejection under 35 U.S.C. § 101”

“Such an amendment would typically not raise the issue of new matter, even when the specification is silent” (with exceptions that do not apply here).

- Attention is further drawn to a memo from the Executive Office of the President to all executive branch employees, the *Final Bulletin for Agency Good Guidance Practices*,¹³ which cautions that employee staff manuals are asymmetric and unilateral, binding only on the agency and not on the public:

Guidance documents and employee staff manuals may not be applied as regulatory requirements against the public. Only regulations promulgated with full rule making procedure (e.g., 37 C.F.R.) may be asserted as binding against the public.

Agency employees do not have the authority to grant themselves waivers from staff manuals. If the MPEP states that the examiner “must” or “will” do something, the

¹³ Executive Office of the President, “Final Bulletin for Agency Good Guidance Practices” (OMB Memorandum M-07-07, January 18, 2007, <http://www.whitehouse.gov/omb/memoranda/fy2007/m07-07.pdf>), 72 Fed. Reg. 3432 (Jan. 25, 2007) attached as Exhibit 3 to the “Reply to Office Action or in the Alternative Appeal Brief” of November 5, 2009; and “Implementation of Executive Order 13422 (amending Executive Order 12866) and the OMB Bulletin on Good Guidance Practices” (OMB Memorandum M-07-13, April 25, 2007, <http://www.whitehouse.gov/omb/memoranda/fy2007/m07-13.pdf>).

examiner has no authority to depart without clearance from the PTO's good guidance officer, which as of today appears to be the Acting Associate Commissioner for Examination Policy.

V. Conclusion

Applicant respectfully submits that the claims are supported by the specification as filed; in compliance with 35 U.S.C. §112, second paragraph; statutory subject matter under 35 U.S.C. §101; and patentable under 35 U.S.C. §103 in view of Weatherly taken alone or in combination with other prior art of record or other unspecified teachings.

Applicant hereby authorizes the USPTO to communicate with any authorized representative concerning this application by electronic mail.

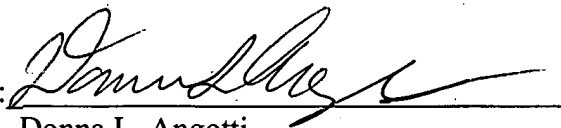
Applicant respectfully submits that the claims are in condition for allowance. Applicant requests that the application be passed to issue in due course. The Examiner is urged to telephone Applicant's undersigned counsel at the number noted below if it will advance the prosecution of this application, or with any suggestion to resolve any condition that would impede allowance. For the entire pendency of this application, the Commissioner is hereby authorized to charge any additional required fees (including all extension of time fees), or credit any overpayment, to Deposit Account No. 50-3219, Order No. 1906-3-Polestar.

Respectfully submitted,

For

TI FUNDING GROUP, L.L.C.

Dated: November 28, 2011

By: 
Donna L. Angotti
Registration No. 32,679

Attorney for Applicant
THE LAW OFFICES OF
DONNA L. ANGOTTI
140 Broadway, Suite 4600
New York, NY 10005
(212) 858-7515
(212) 858-7750 (FAX)

Exhibit 1 to Amendment of November 28, 2011

Tenant Improvements Lease 100

Space Landlord:	104
Tenant:	102
Lessor:	110
Lender:	200
Structure of Transaction:	<p><i>Variation # 1 (New Installations):</i> Space Landlord will enter into an "Occupancy Lease" 106 with Tenant covering the "Premises." In addition, Lessor and Tenant will enter into a separate "bondable" lease (the "TI Lease") of the tenant improvements to be located at the Premises (the "Tenant Improvements"). Such lease will be effective as of the completion of the Tenant Improvements and, to the extent funded by Tenant, Lessor will reimburse Space Landlord and Tenant for their respective contributions to the hard and soft costs of the Tenant Improvements. Lessor will at all times be the owner of the Tenant Improvements.</p> <p><i>Variation # 2 (Existing Installations):</i> Space Landlord's existing "Occupancy Lease" 106 with Tenant covering the "Premises" will be restructured as follows (a) the Occupancy Lease shall be amended to (A) eliminate Space Landlord's tenant improvement allowance and (B) reduce the rent payable thereunder to exclude Tenant's repayment of, and Space Landlord's return on, such allowance and (b) Lessor Tenant will enter into a "bondable" lease (the "TI Lease") of the tenant improvements to be located at the Premises (the "Tenant Improvements"). Lessor will reimburse Tenant for the net book value of Tenant's and Space Landlord's investment to the installation of the Tenant Improvements. Lessor will be the owner of the Tenant Improvements.</p>
Capitalization of Lessor:	<p><i>Variation # 1 (Investment Grade Tenant's with installations valued in excess of \$10 million):</i> Lessor will be capitalized through (x) an equity investment (the "Equity Investment" 116) by Space Landlord equal to 3% of the net book value (the "TI Value") of the Tenant Improvements (for new installations, the TI Value will be 100% of the hard and soft construction costs) and (y) the issuance of non-recourse debt (the "Debt" 120) of Lessor, secured only by the cash flow from the TI Lease and not by the Tenant Improvements, in an amount equal to 97% of the TI Value.</p> <p><i>Variation # 2 (all other installations):</i> Lessor will be capitalized through (x) an equity investment (the "Equity Investment" 116) by Space Landlord equal to 3% of TI Value (for new installations, the TI Value will be 100% of the hard and soft construction costs), (y) the issuance of non-recourse debt (the "Debt" 120) of Lessor, secured only by the cash flow from the TI Lease and not by the Tenant Improvements, in an amount equal to 97% of the TI Value. (In some instances, Space Landlord may own the Debt, an __% portion thereof, or a __% participation therein.)</p>

FIG. 1A

Lease Term:	Tenant Improvements Lease to run co-terminous with, or shorter than, Occupancy Lease. <u>122</u>
Debt Term:	Same as TI Lease Term.
Space Landlord's Return :	Variation # 1 (Investment Grade Tenant with installation valued in excess of \$10 million): 11.5% per annum. Variation # 2 (All other installations): 10% current coupon, 20% pre-loss yield.
Debt Interest Rate : <u>126</u>	Variation # 1 (Investment Grade Tenant with installation valued in excess of \$10 million): 50-100 basis points over the market rate for Tenant's senior unsecured debt having a maturity equal to the Debt Term. Variation # 2 (All other installations): 10% for investment grade tenants, 11% for rated, non-investment grade tenants and 13%-16% for non-rated, non-investment grade tenants.
Debt Amortization:	Self-amortizing using constant rent payments. <u>128</u>
Debt Covenants:	If applicable for non-investment grade tenants. <u>138</u>
Debt Prepayment: <u>142</u>	The Debt may only be prepaid in the event of the termination of the Occupancy Lease and TI Lease upon a casualty or condemnation (as described below). In such event, the Debt will be prepaid at par, plus a yield maintenance premium.
Rent: <u>124</u>	Rent payments under the TI Lease will be formulated to service the timely payment of interest and principal on the Debt and to provide Space Landlord's Return
Rent Obligation Absolute: <u>130</u>	The TI Lease will provide that the obligation of Tenant to pay the rent is absolute and not subject to any defense, counterclaim, offset, deduction or abatement of any kind, regardless of any failure to complete, defect, damage, unsuitability or other condition affecting the Tenant Improvements or the Premises generally.
Net Lease: <u>132</u>	Tenant will be completely and unconditionally responsible for the operation, repair and maintenance of the Tenant Improvements and all costs and expenses incurred in connection therewith.
End of Term: <u>134</u>	By the end of the TI Lease Term, the Tenant Improvements will continue to be owned by the Space Landlord through its wholly owned subsidiary, Lessor.
Taxes:	Tenant shall pay all use, personal property, and other similar taxes levied with respect to the Tenant Improvements, or the ownership, operation, use, condition, maintenance, repair, leasing or subleasing thereof, any taxes payable in respect of the rent.

FIG. 1B

Insurance: <u>144</u>	Tenant will be obligated to insure the Tenant Improvements against damage or destruction for the benefit of Lessor, Space Landlord and Lender under a broad form, extended coverage policy in form and issued by an insurer, acceptable to such parties. The ability of Tenant to self-insure will be subject to underwriting approval.
Casualty/ Condemnation: <u>140</u>	In the event of (a) damage or destruction to the Premises by fire or other casualty or (b) a taking of all or part of the Premises by exercise of eminent domain, that, in either case, permits Tenant to terminate the Occupancy Lease, and Tenant so terminates the Occupancy Lease, Tenant will have the right to terminate the TI Lease. As a condition to such termination, Tenant will be obligated to pay all outstanding principal and accrued and unpaid interest on the Debt, together with a yield maintenance premium. Tenant's right to terminate the TI Lease will be further conditioned on Tenant also terminating the Occupancy Lease at such time.
Indemnity: <u>146</u>	Tenant will fully indemnify and hold harmless Lessor, the Space Landlord and lender from and against any and all claims, liabilities, losses, costs, or damages in any way related to or arising in connection with the transaction or the construction, ownership, operation or repair of the Tenant Improvements.
Tax Treatment:	Space Landlord will be the tax owner of, and therefore enjoy 100% of the depreciation benefits associated with, the Tenant Improvements.
Events of Default: <u>148</u>	Customary lease/loan defaults and cure periods, e.g., (a) failure to pay rent, (b) general non-monetary default (30 day cure period with right to extend if default cannot be cured with reasonable efforts within 30 days), (c) bankruptcy and insolvency events of default and (d) cross default to Occupancy Lease.
Remedies: <u>150</u>	Upon the occurrence of an Event of Default, Lessor will have the right to terminate the TI Lease and, in addition to customary remedies of a lessor (i.e. to repossess the Tenant Improvements for reletting or sale by Space Landlord), have the right to demand payment of damages sufficient to repay all outstanding principal of, and accrued interest on, the Debt, and to repay the Space Landlord's Return through the remaining Debt Term.
Put Option: <u>160</u>	Upon an Event of Default under the TI Lease, the tenant will be obligated to purchase the tenant improvements from the Lessor for a purchase price equal the unpaid principal of the loan advanced by Lender plus Space Landlord's unrecovered equity investment in Lessor.

FIG. 1C

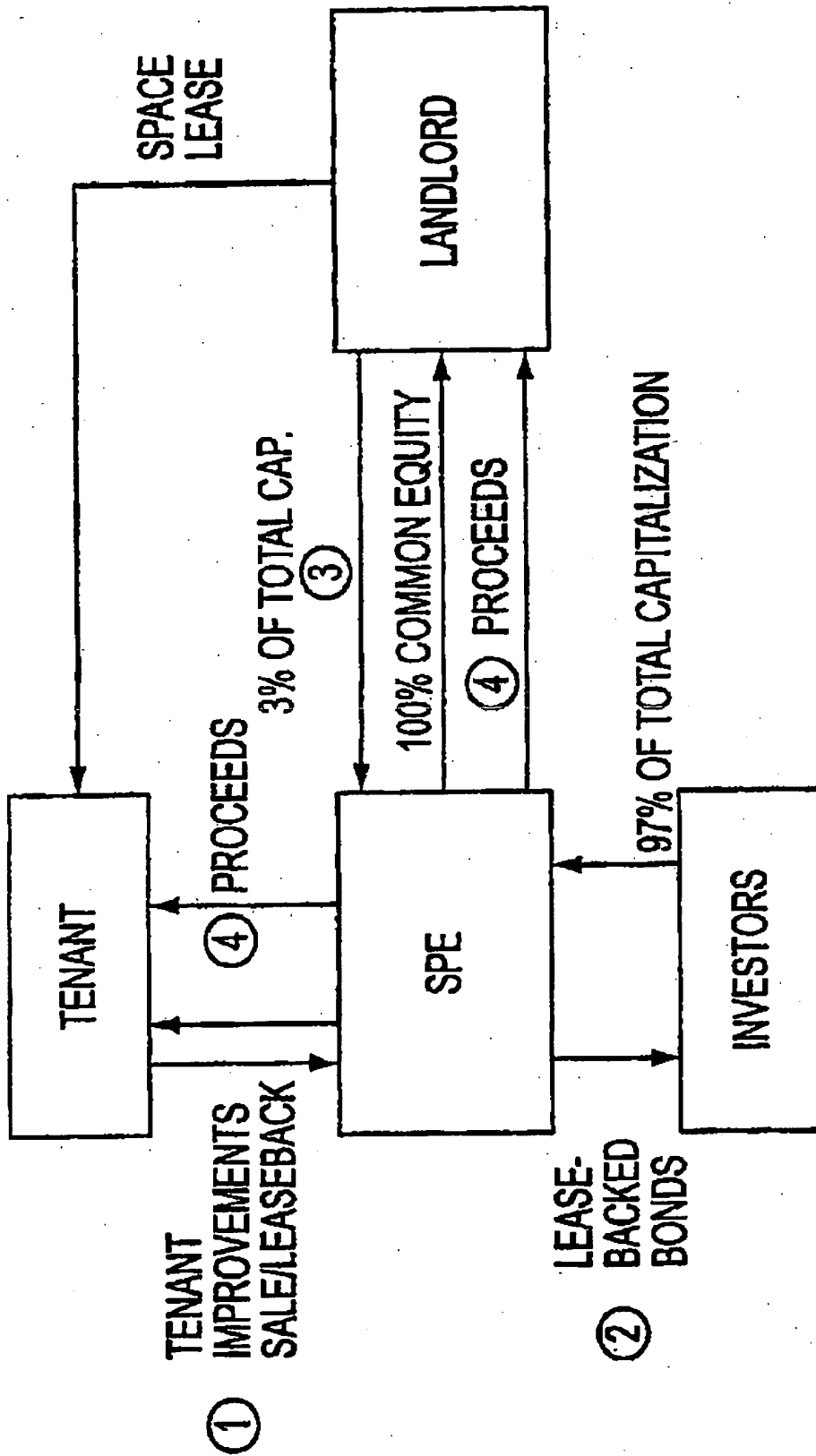


FIG. 2A

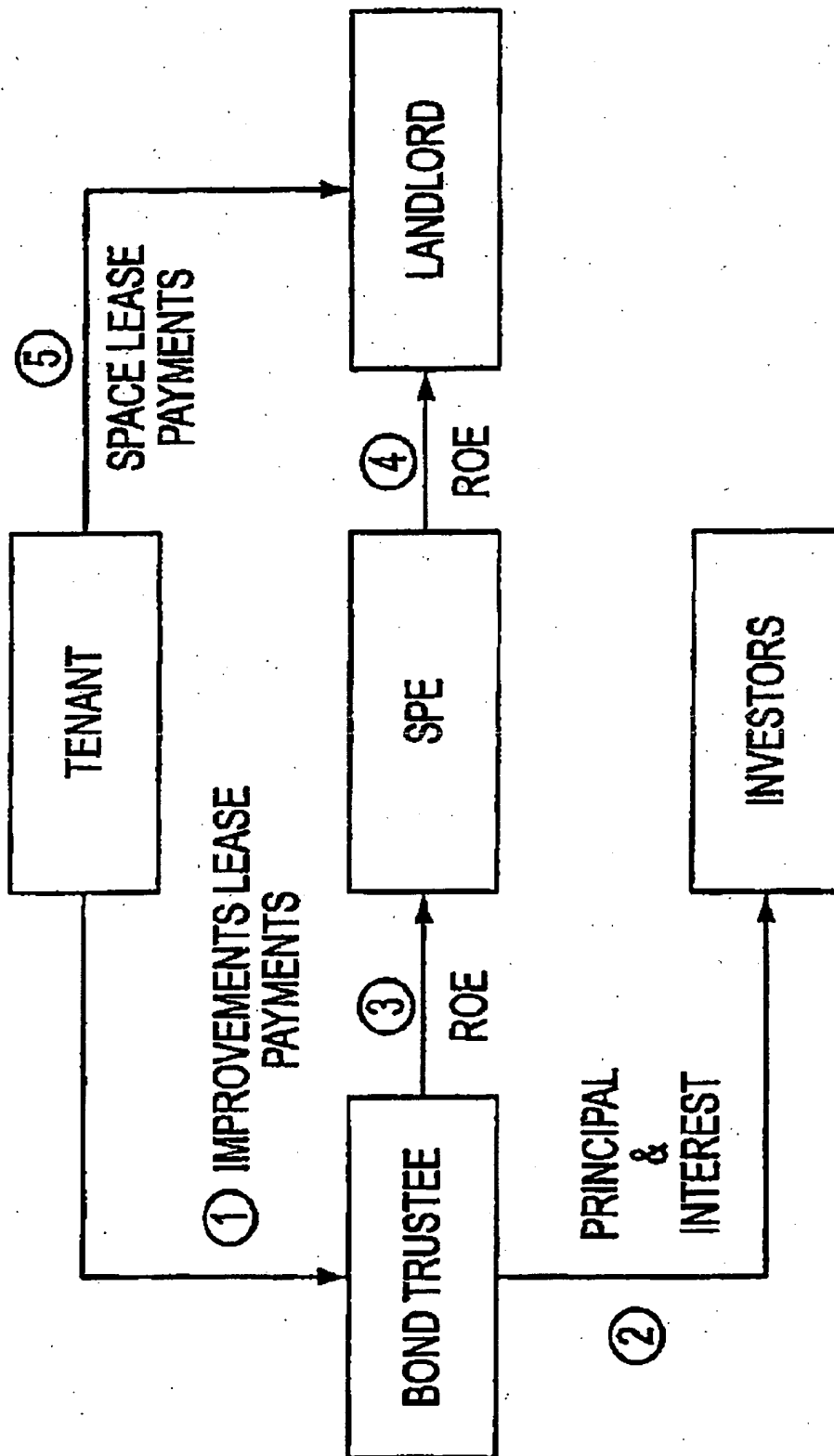


FIG. 2B

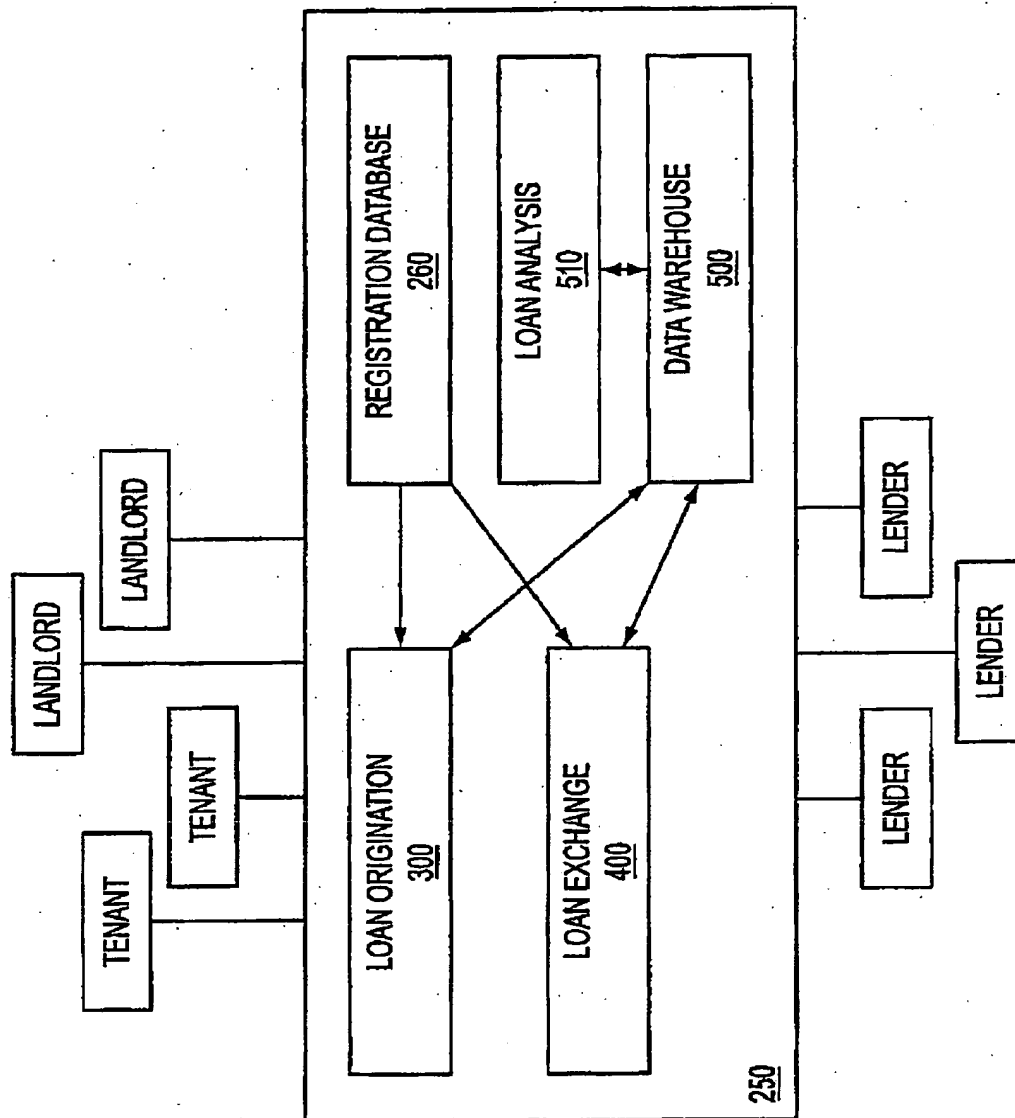


FIG. 2C

Microsoft Internet Explorer
File Edit View Favorites Tools Help
Address http://www.tiloan.com/LandlordProfile.htm

TILOAN.com

Home Profile Loan Management Loan Information Contact Us Help Personalize

TILOAN.com Contacts

Update

Borrower Information

Company Name
Whitmore & Associates

CEO
Helen N. Whitmore

Contacts Full Name
Frank Carpenter

Business Address
1345 Spring Street

City
New York

State
New York

Zip Code
10011

Eligible Users

Broker Name	Hector Gonzalou	Logon ID	HGonzalou
Broker Name	Carlos Santiago	Logon ID	CSantiago
Broker Name		Logon ID	

Submit Application

FIG. 3A

Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://www.tillean.com/LandlordRateCalculator.htm

Back Forward Stop Search Favorites History

Home Profile Loan Management Loan Information

Track Tax Base Loan Details Manage Lease Portfolios Financial Calculators

Contact Us Help Personalize

COMPARE RATES AND GET FINANCING

Welcome to TILoan, where tenants and landlords can find, compare, and secure loans from the industry's leading lenders, including Polestar Capital, Morgan Stanley Dean Witter, Wells Fargo Bank, GMAC, First Union and many, many more.

To view instantly the most competitive termsheets and rates provided by our lenders, please complete the following information. Questions? Call us at 1-877-4TILoan.

1. Property Information

Property Value: (\$)
(For example: 5,000,000)

Property Type:

State:

Is this a credit tenant net lease property?
☐ Yes ☐ No
☐ Yes ☐ No

Is this property occupied (>50%) by owner?
☐ Yes ☐ No

2. Financing Information

Desired Loan Amount: (\$)
(For example: 3,000,000)

Desired Interest Rate Type:

Desired Amortization (for Permanent Loan):
 Fixed Or Adjustable
 Select Amortization
 Select Term(s)
 3 years
 5 years

Search for Financing

FIG. 3B

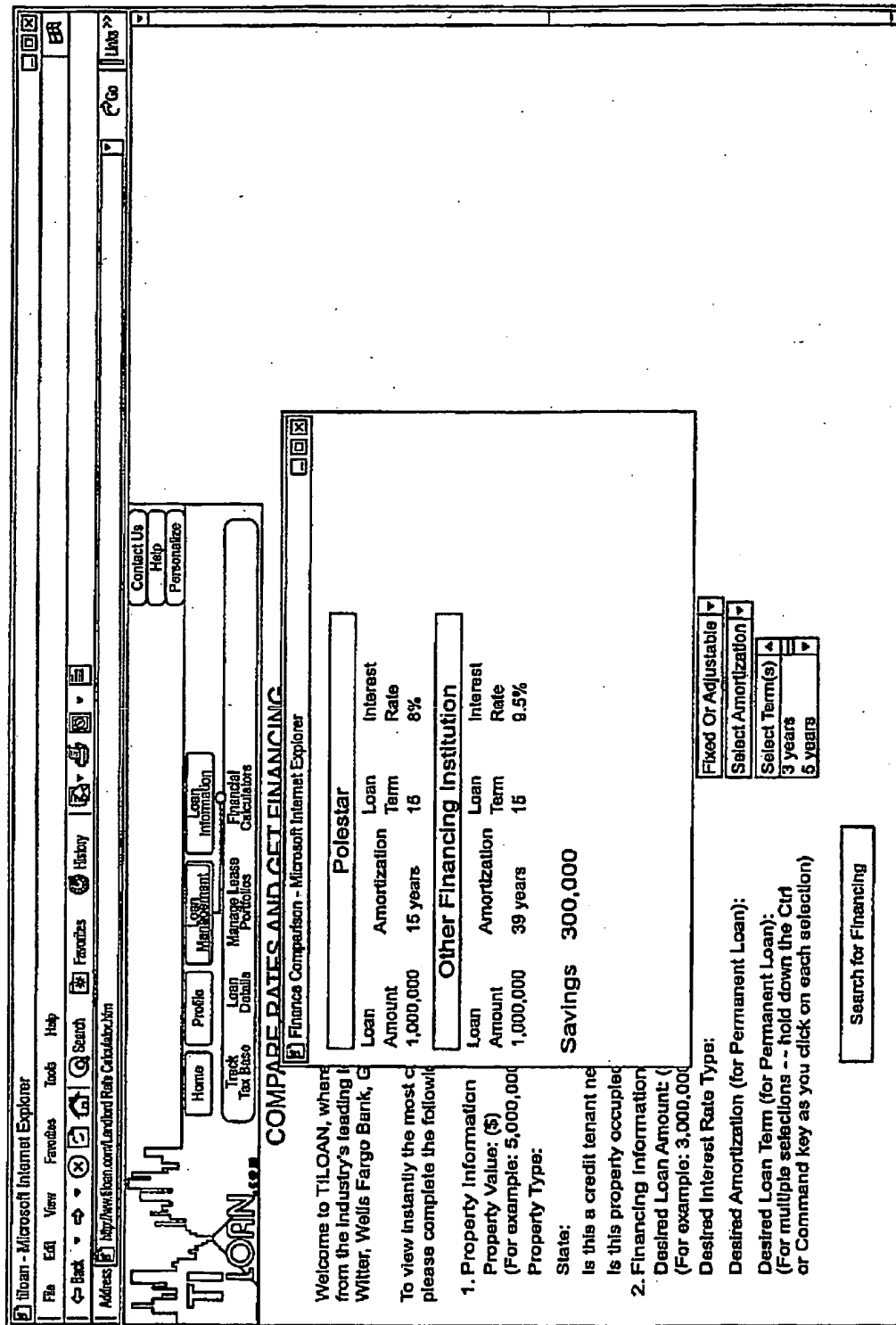


FIG. 3C

The screenshot shows a web browser window titled "tloan - Microsoft Internet Explorer". The address bar displays "http://www.tloan.com/landlord/LoanApp.htm". The browser's menu bar includes "File", "Edit", "View", "Favorites", "Tools", and "Help". The toolbar contains icons for "Back", "Forward", "Home", "Search", "History", "Print", and "Stop".

The web page content includes a navigation bar with buttons for "Home", "Profile", "Loan Management", "Loan Information", "Contact Us", "Help", and "Personalize". Below this is a "LOPIN" logo and a "Loan Application" section. The form fields are as follows:

- Business Name:** Whitmore & Associates Inc.
- Contact Name:** Helen N. Whitmore
- Business Address:** 545 Madison Avenue, New York, NY 10022
- Lease Amount:** (empty field)
- Preferred Rate:** Select a Preferred Rate (dropdown menu)
- Term of Lease:** Select a Term of Loan (dropdown menu)
- Property:** (empty field)
- Landlord:** (empty field)

At the bottom right of the form is a "Submit Application" button. The browser's status bar at the bottom shows "http://www.tloan.com/landlord/LoanApp.htm".

FIG. 3D

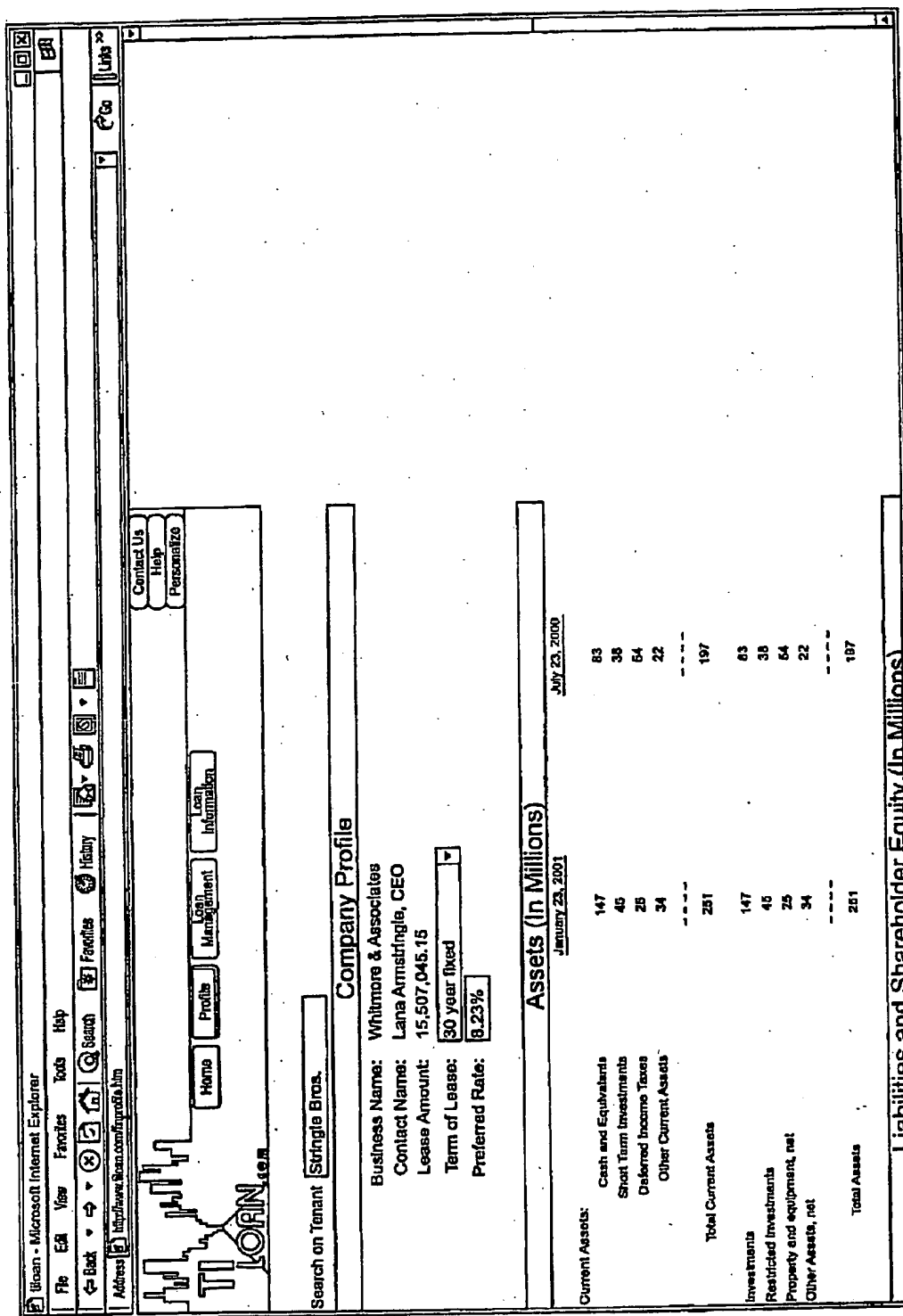


FIG. 3E

Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Search Favorites History

Address: http://www.lorin.com/Welcome.htm

[Home](#)
[Profile](#)
[Loan Management](#)
[Loan Information](#)
[Contact Us](#)
[Help](#)
[Personalize](#)

[Matched Loans](#)
[Place Bids](#)
[Advanced Bids](#)
[View Bids](#)
[Pool Information](#)

Exchange Floor

Offers to Sell

Place Bid	Landlord	Tenant	Lease Amount	Lease Term	Preferred Rate	Expiration Date
	Mitchel Realty & Co.	J & B, Inc.	23,746,333.67	30 year fixed	7.85%	September 12, 2001
	Maslona Associates	carpenier.com	10,008,000.10	10 year variable	7.92%	July 12, 2001
	Whilumpe & Associates	Strangle Bros.	15,507,045.10	30 year fixed	8.23%	August 12, 2001

FIG. 4A

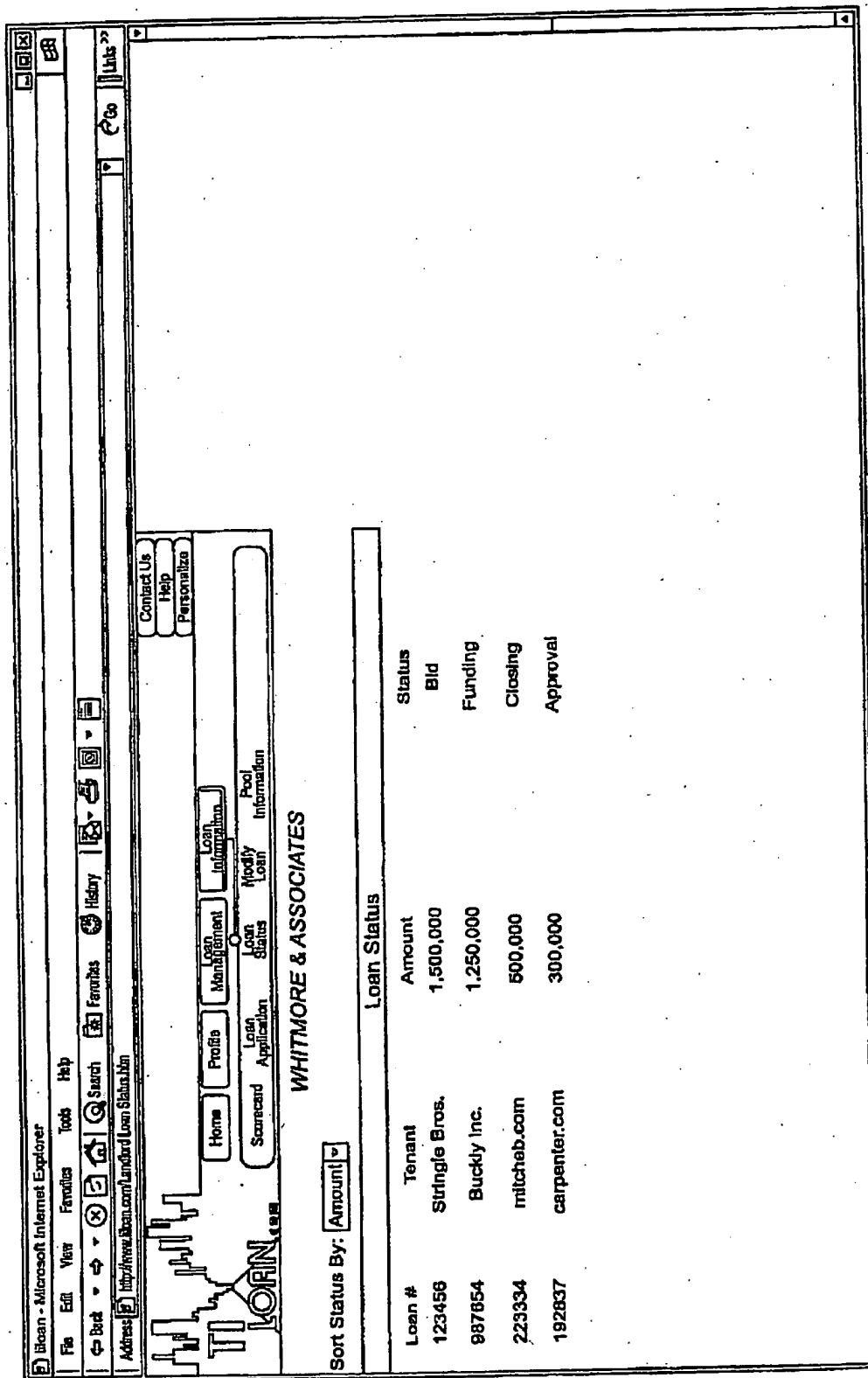


FIG. 4B

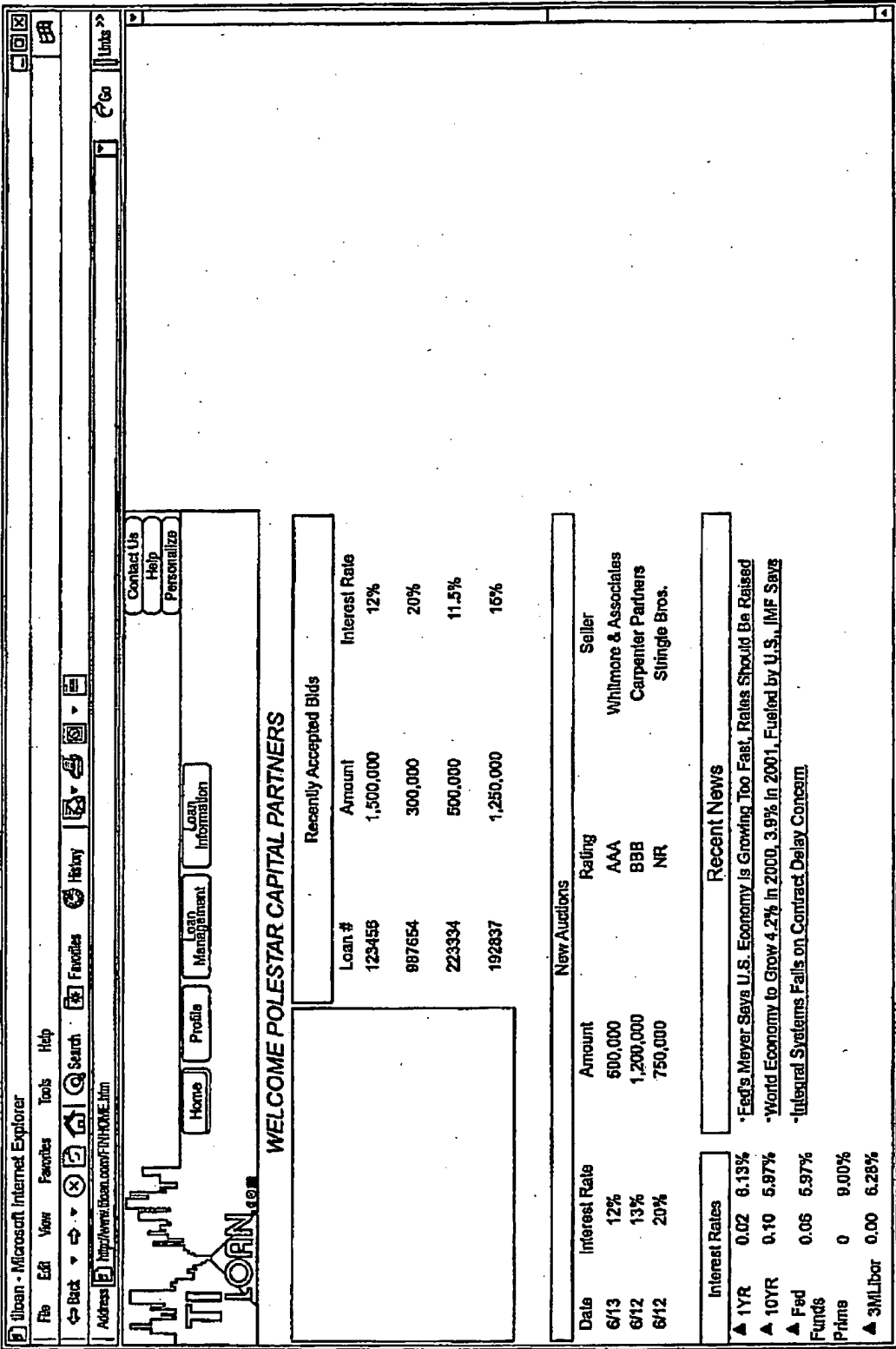


FIG. 4C

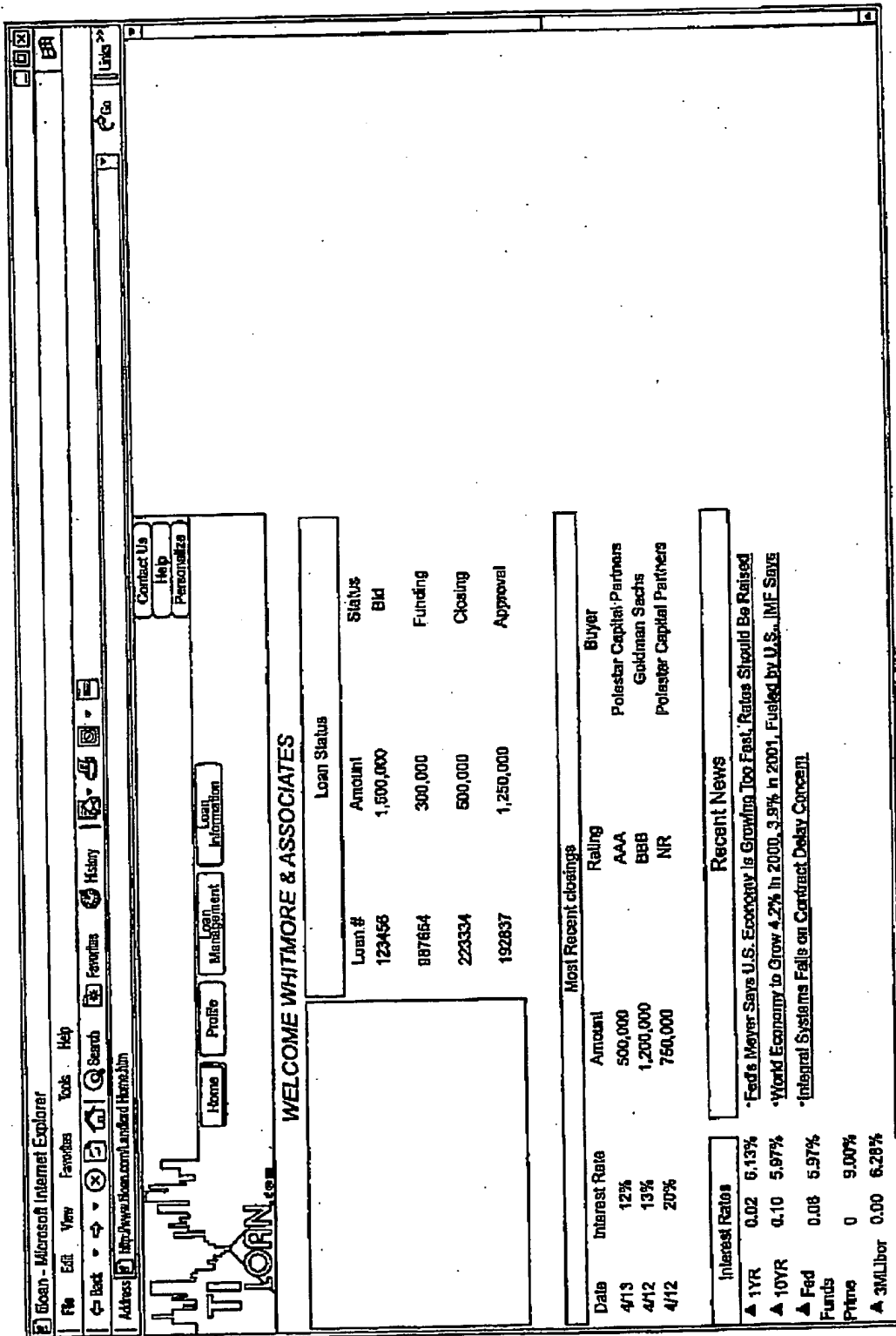


FIG. 5A

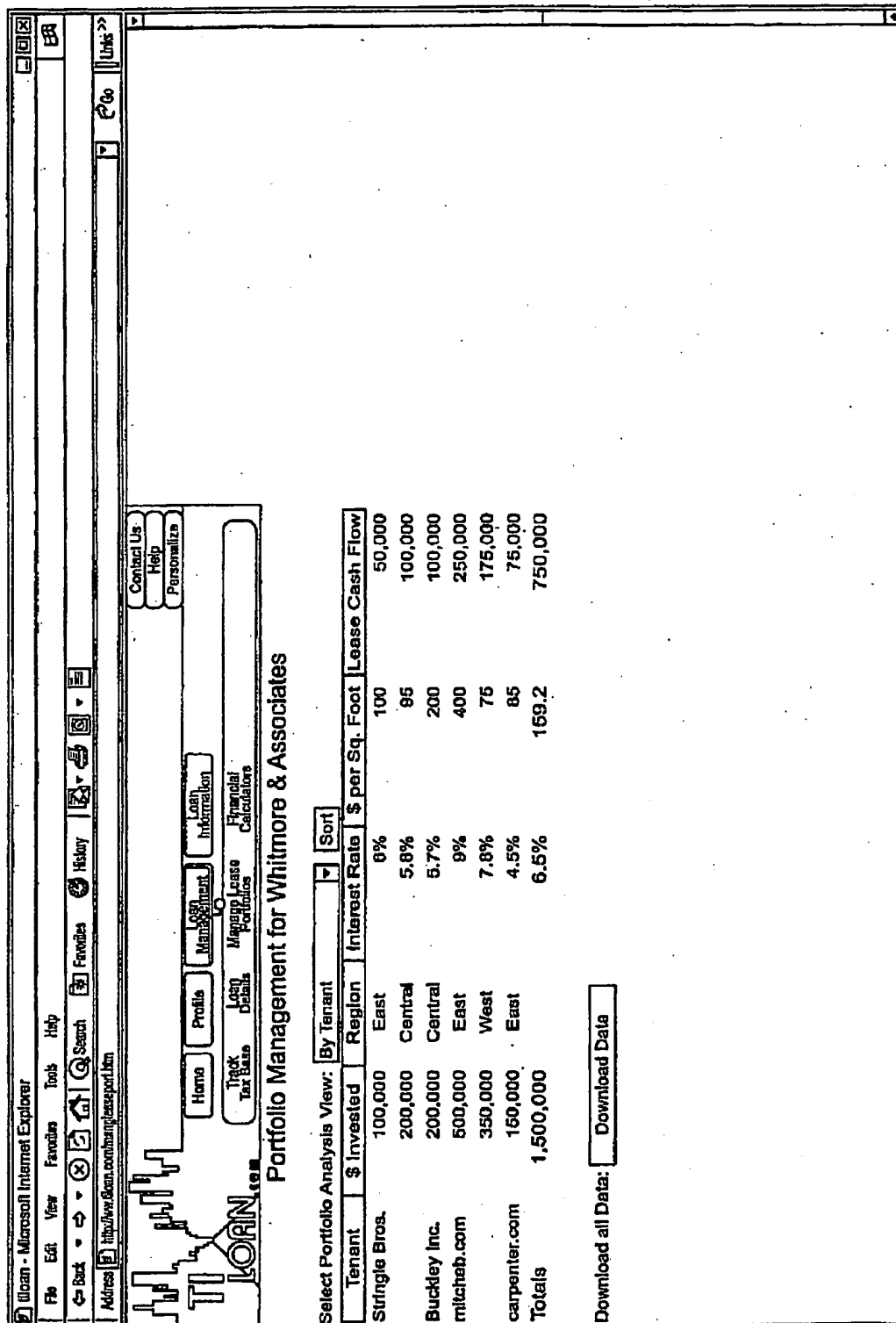


FIG. 5B

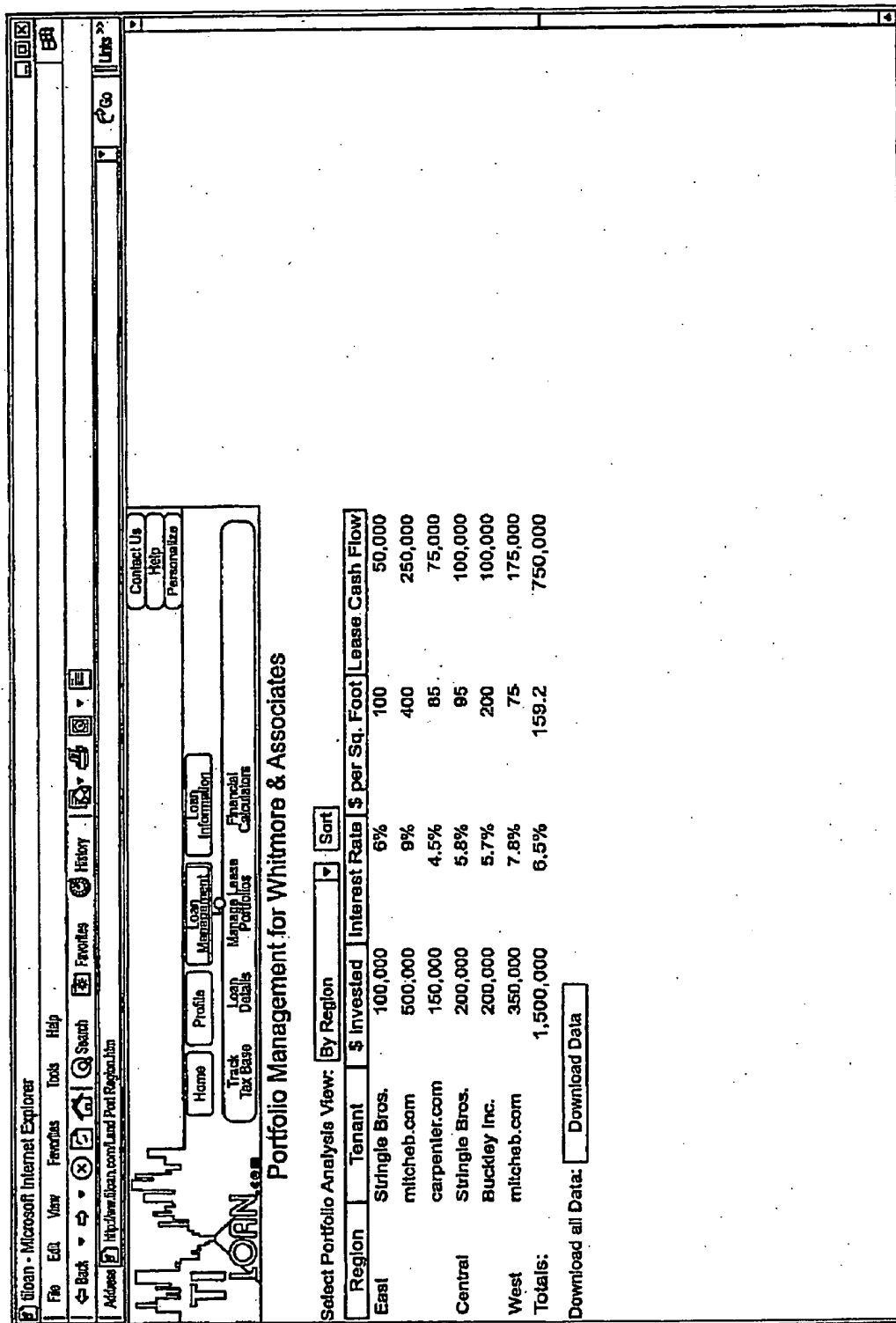


FIG. 5C

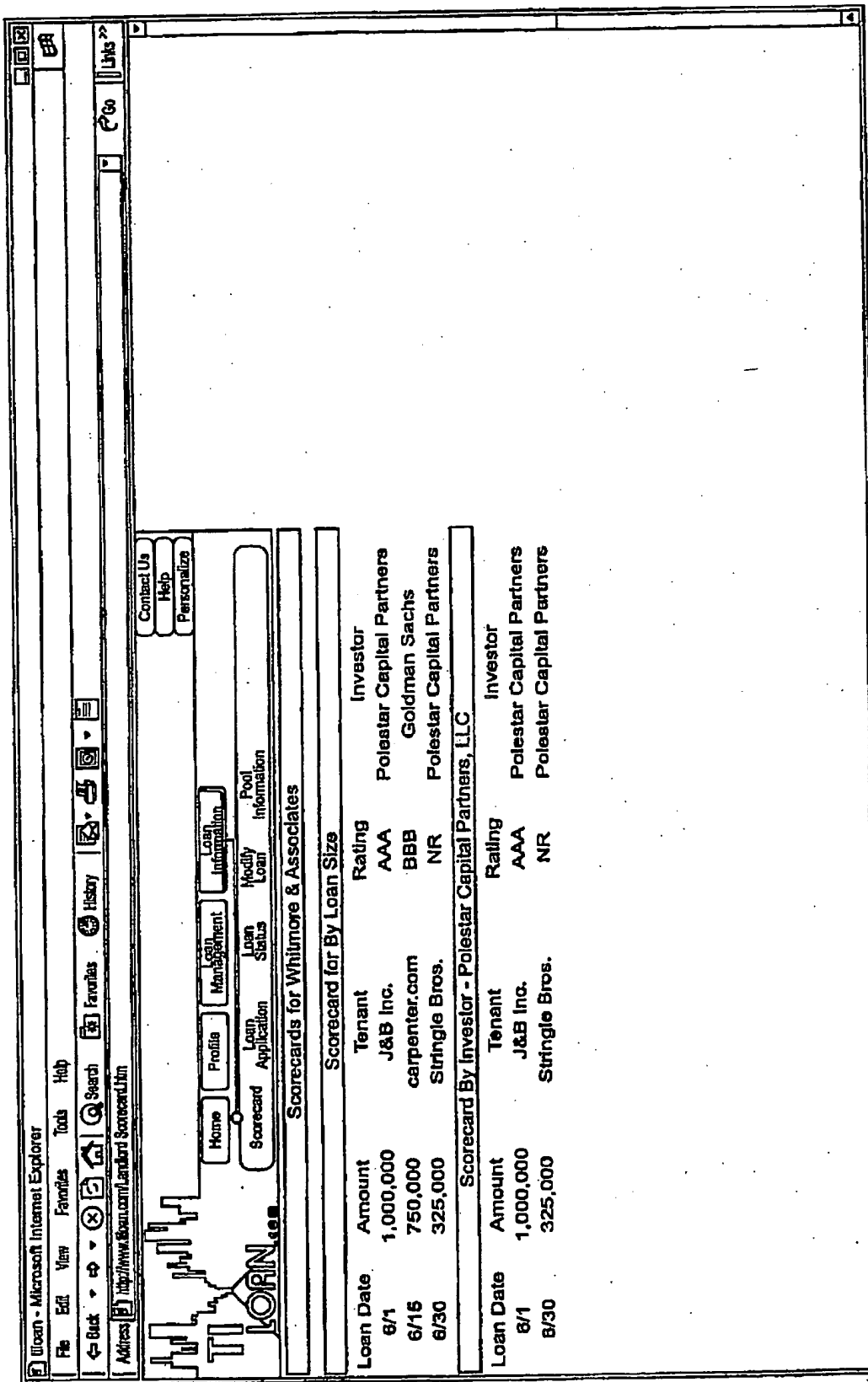


FIG. 5D

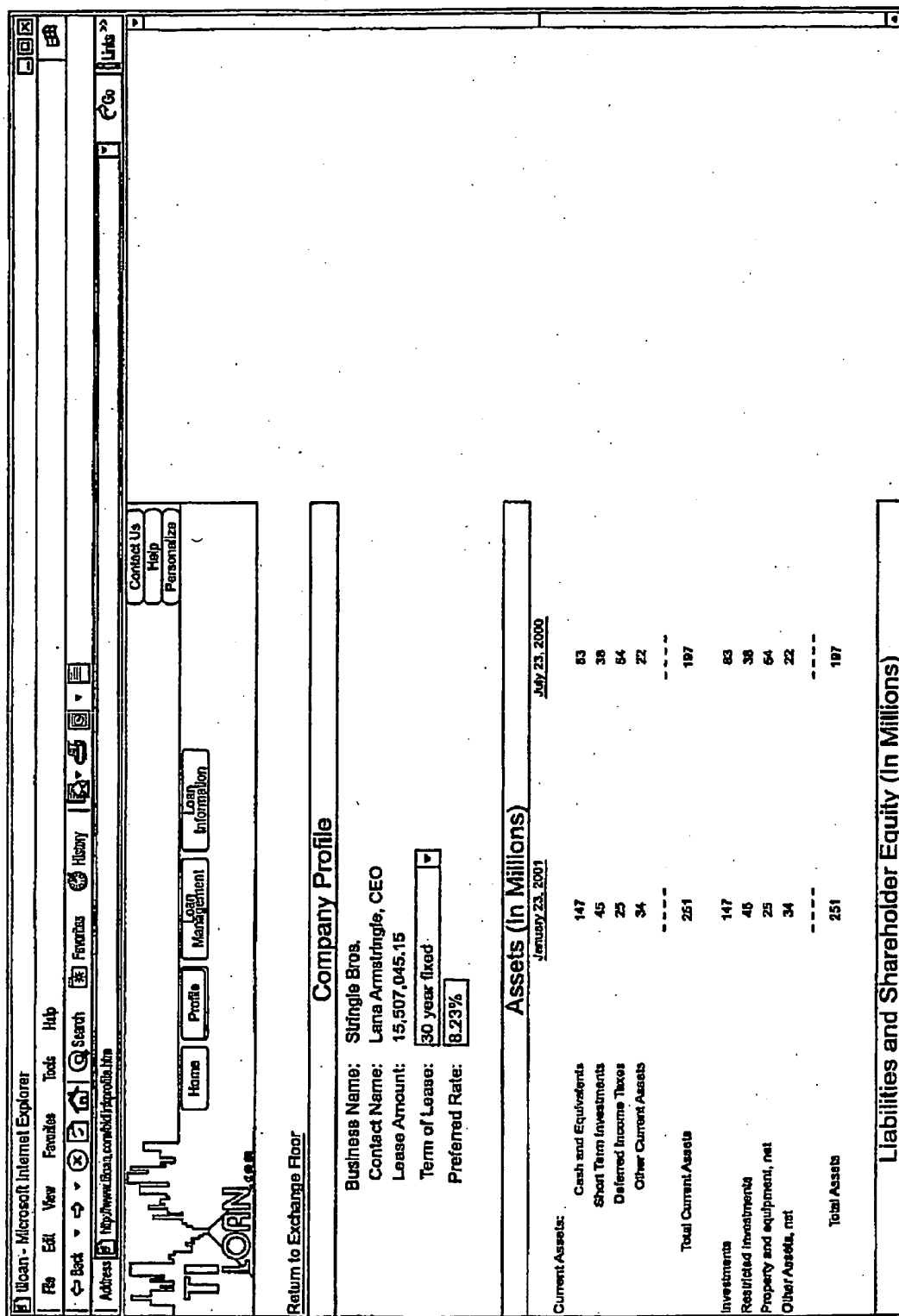


FIG. 5E

Exhibit 2 to Amendment of November 28, 2011



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APPLICATION NUMBER	FILING OR 371(C) DATE	FIRST NAMED APPLICANT	ATTY. DOCKET NO./TITLE
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09/611,548

07/07/2000

DOUGLAS G.
LOWENSTEIN

114595-2-Polest

CONFIRMATION NO. 6763

**PUB REQUEST ACCEPTANCE
LETTER**

68536

THE LAW OFFICE OF DONNA L. ANGOTTI
140 BROADWAY
SUITE 4600
NEW YORK, NY 10005



OC000000049700873

Date Mailed: 09/07/2011

NOTICE OF ACCEPTANCE OF PUBLICATION REQUEST

The request for voluntary publication, amended publication, early publication, redacted publication, republication, corrected publication or revised publication has been received for this application. The request, including payment of any necessary fee(s), is in compliance with 37 CFR 1.215, 1.217, 1.219 or 1.221.

The projected publication date is 12/15/2011.

/kebuchanan/

Office of Data Management, Application Assistance Unit (571) 272-4000, or (571) 272-4200, or
1-888-786-0101

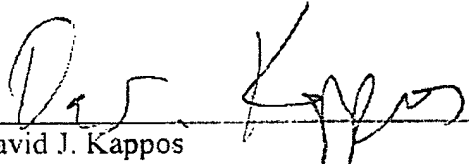
Exhibit 3 to Amendment of November 28, 2011

Subject Matter Eligibility of Computer Readable Media

The United States Patent and Trademark Office (USPTO) is obliged to give claims their broadest reasonable interpretation consistent with the specification during proceedings before the USPTO. *See In re Zletz*, 893 F.2d 319 (Fed. Cir. 1989) (during patent examination the pending claims must be interpreted as broadly as their terms reasonably allow). The broadest reasonable interpretation of a claim drawn to a computer readable medium (also called machine readable medium and other such variations) typically covers forms of non-transitory tangible media and transitory propagating signals *per se* in view of the ordinary and customary meaning of computer readable media, particularly when the specification is silent. *See* MPEP 2111.01. When the broadest reasonable interpretation of a claim covers a signal *per se*, the claim must be rejected under 35 U.S.C. § 101 as covering non-statutory subject matter. *See In re Nuijten*, 500 F.3d 1346, 1356-57 (Fed. Cir. 2007) (transitory embodiments are not directed to statutory subject matter) and *Interim Examination Instructions for Evaluating Subject Matter Eligibility Under 35 U.S.C. § 101*, Aug. 24, 2009; p. 2.

The USPTO recognizes that applicants may have claims directed to computer readable media that cover signals *per se*, which the USPTO must reject under 35 U.S.C. § 101 as covering both non-statutory subject matter and statutory subject matter. In an effort to assist the patent community in overcoming a rejection or potential rejection under 35 U.S.C. § 101 in this situation, the USPTO suggests the following approach. A claim drawn to such a computer readable medium that covers both transitory and non-transitory embodiments may be amended to narrow the claim to cover only statutory embodiments to avoid a rejection under 35 U.S.C. § 101 by adding the limitation "non-transitory" to the claim. *Cf. Animals – Patentability*, 1077 *Off. Gaz. Pat. Office* 24 (April 21, 1987) (suggesting that applicants add the limitation "non-human" to a claim covering a multi-cellular organism to avoid a rejection under 35 U.S.C. § 101). Such an amendment would typically not raise the issue of new matter, even when the specification is silent because the broadest reasonable interpretation relies on the ordinary and customary meaning that includes signals *per se*. The limited situations in which such an amendment could raise issues of new matter occur, for example, when the specification does not support a non-transitory embodiment because a signal *per se* is the only viable embodiment such that the amended claim is impermissibly broadened beyond the supporting disclosure. *See, e.g., Gentry Gallery, Inc. v. Berkline Corp.*, 134 F.3d 1473 (Fed. Cir. 1998).

Date: 1/26/10


David J. Kappos

Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office